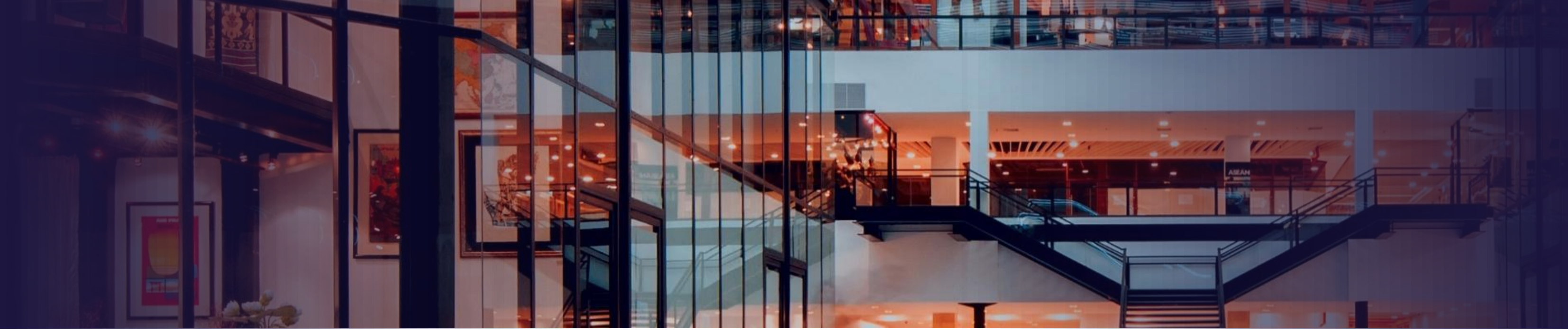
MARKETBEAT
# PUNE
RETAIL Q2 2026



## MARKET FUNDAMENTALS

| | YOY Chg | Outlook* |
|---|---|---|
| **6.45** Mall Stock* (MSF) | ▲ | — |
| **0.84** Retail Space Per Capita | ▲ | ▲ |
| **3.12%** Vacancy* | ▼ | ▼ |

*Note: All data above pertains to Grade A and B+ malls*

## ECONOMIC INDICATORS

| | YOY Chg | Outlook* |
|---|---|---|
| **7.80%** GDP Growth (Q4 FY25-26) | ▲ | ▼ |
| **3.21%** CPI Inflation | ▼ | ▲ |
| **7.10%** Consumer Spending Growth (Q4 FY25-26) | ▲ | ▼ |

*Source: MOSPI, RBI*

### STRONG MALL TAKE-UP UNDERPINS Q2 RETAIL LEASING

In Q2 2026, total retail leasing stood at 0.25 msf, registering a growth of 38.4% q-o-q and 8.0% y-o-y, driven by strong occupier demand across both malls and Main Streets. On a half-year basis, retail leasing totalled 0.43 msf in H1 2026, registering an 8% y-o-y increase, supported by sustained demand across organised retail formats. Q2 mall leasing stood at 0.16 msf, up 86% q-o-q, while declining 24% y-o-y owing to the elevated base from large-format fashion transactions recorded a year ago. Within mall leasing, fashion dominated with a 42% share, followed by accessories & lifestyle at 26%, while supermarket/hypermarket and F&B segments accounted for 14% and 11%, respectively.

Meanwhile, Main Street leasing stood at 0.09 msf in Q2 2026, declining marginally by 2% q-o-q while increasing 286% y-o-y. Demand was primarily driven by fashion, accounting for 35% of leasing, followed by supermarkets at 28% and furniture & furnishing at 18%, with activity concentrated across key high-footfall corridors such as Wakad, Bavdhan and Chinchwad.

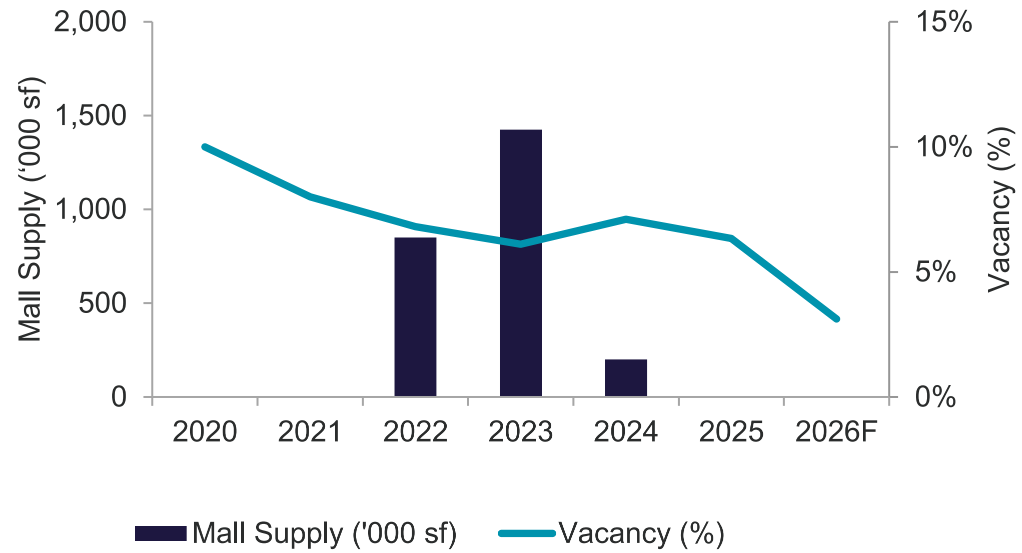
### VACANCY SHRINKS AMID SUPPLY CRUNCH

In Q2 2026, vacancy in Grade-A malls declined to 3.12%, marking a decrease of 199 bps q-o-q and 372 bps y-o-y, driven by sustained demand for quality retail spaces amid the absence of new supply. Grade A malls continued to exhibit tighter vacancy levels, underscoring strong occupier preference for premium retail assets and the limited availability of quality space, which has further intensified competition among retailers for prime locations.

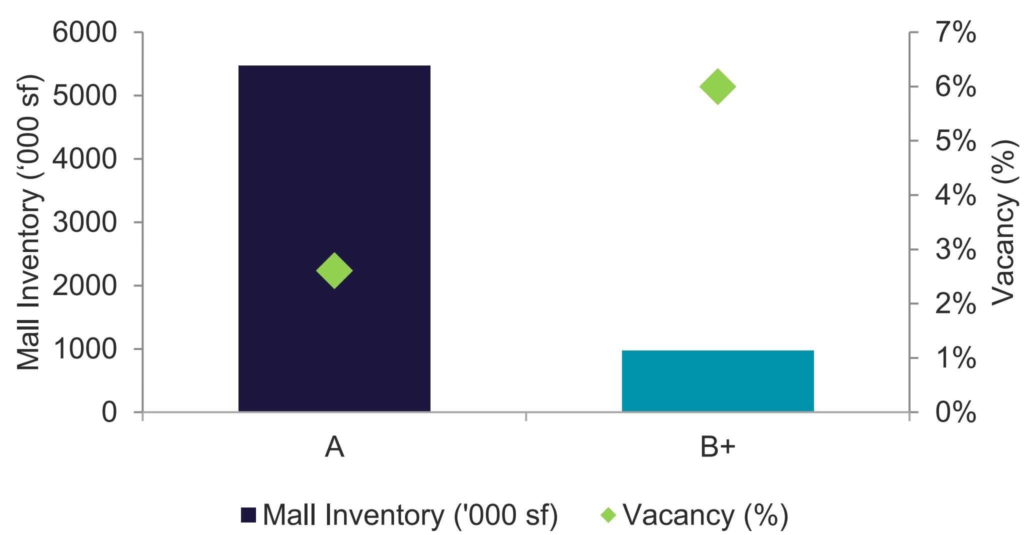
### RENTALS HOLD STEADY AMID ANNUAL GROWTH

Rental values across Grade-A malls remained largely unchanged on a quarterly basis, while select assets recorded annual growth of 2–8%, supported by rising leasing activity and tightening vacancy levels. Main Street rentals witnessed annual growth in the range of 3–5%, driven by sustained demand across select corridors such as J.M. Road, Kothrud–Karve Road, and FC Road, while remaining broadly unchanged on a quarterly basis.

### OVERALL GRADE A MALL SUPPLY & VACANCY*




### GRADE A MALL STOCK & VACANCY BY CATEGORY*




*For grade definitions, refer to page 2*

## MARKET STATISTICS

| PRIME RETAIL RENTS – HIGH STREETS | INR SF/MTH | EURO SF/YR | US$ SF/YR | Q-O-Q CHANGE | Y-O-Y CHANGE |
|---|---|---|---|---|---|
| M.G. Road | 360 | 39.1 | 45.7 | 0.0% | 0.0% |
| J.M. Road | 420 | 45.7 | 53.3 | 5.0% | 5.0% |
| F.C. Road | 350 | 38 | 44.4 | 4.5% | 4.5% |
| Koregaon Park | 350 | 38 | 44.4 | 0.0% | 0.0% |
| Aundh | 250 | 27.2 | 31.7 | 0.0% | 0.0% |
| Bund Garden Rd | 210 | 22.8 | 26.6 | 0.0% | 0.0% |
| Mumbai-Pune Highway – PCMC | 165 | 17.9 | 20.9 | 3.1% | 3.1% |
| Baner- Balewadi | 270 | 29.3 | 34.2 | 0.0% | 0.0% |
| Kothrud-Karve Road | 230 | 25 | 29.2 | 4.5% | 4.5% |
| Pune Satara Road | 160 | 17.4 | 20.3 | 0.0% | 0.0% |

*Note: Asking rent (INR/sf/month) on carpet area of ground floor Vanilla stores is quoted*

*US$ = 94.6 INR  AND € = 110.4 INR*

*Data for the first quarter is based on market information collected until 12th June 2026*

***Outlook*:** The Outlook represents our forward-looking view of key market indicators over the next 12 months, based on current market trends, economic conditions, policy developments, and available data. Projections are indicative and may be adjusted as market dynamics evolve.*

**Grade A Malls: Predominantly lease driven retail assets characterized by professional management, strong tenant mix, healthy occupancy levels, and high standards of operations and upkeep, including institutionally owned and professionally managed assets.*

*Grade B+ Malls: Organized retail assets with relatively lower operational efficiency, tenant quality, occupancy levels, or asset management standards compared to Grade A malls.*

## KEY LEASE TRANSACTIONS Q2 2026

| PROPERTY | LOCATION | TENANT | SF |
|---|---|---|---|
| Main Street | Wakad | Star Bazaar | 25,797 |
| Amanora Town Centre | Hadapsar | Indriya | 5,638 |

## KEY PROJECTS COMPLETED IN LAST 12 MONTHS

| PROPERTY | LOCATION | SF | COMPLETION TIMELINE |
|---|---|---|---|
| - | - | - | - |

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